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SUBJECT: Heart of Gold: The Chinese Government (GONGOs)
Crowd Out Real NGOs

Ref: a) Guangzhou 11657

b) Guangzhou 12155

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11. (SBU) Summary: While government-affiliated non-governmental organizations (GONGOs) provide needed social services, they in many cases by nature preclude or impede the development of a strong 'western style' non-governmental organization (NGO) sector. Being so tightly aligned with the government does present its own unique challenges for GONGO officials and they are not immune to some of the difficulties their normal NGO brethren face. Since GONGOs play a major role in the legal NGO sphere it appears that they are co-opting the limited NGO space instead of widening it for others to fully join. End Summary.

A Governmental Non-Government Organization???

12. (SBU) Government NGOs (GONGOs) might sound like an oxymoron but are one of largest types of legally registered NGOs in China. GONGOs are mainly offshoots of government departments or of mass organizations. Mass organizations include the All-China Women's Federation (ACWF), All-China Federation of Trade Unions (ACFTU), China Disabled Person's Federation, and Communist Youth League. Mass organizations have been around since 1920's and were originally started to protect their members' rights and support Communist ideology. They operate in every province, city, and town; the ACFTU itself claims 134 million members, the ACWF states it has 60,000 federations nationwide that oversee 980,000 representative committees. They potentially are a powerful representative force.

What is (and isn't) a GONGO?

13. (SBU) While mass organizations call themselves NGOs, they technically are supra-legal organizations that exists above NGO law. However, if a mass organization's leaders want to start a new or separate office that deals with one specific

subject or area (and most do) they do have to register the way a traditional NGO would. For example, the Women's Federation is a mass organization that was founded in 1949 to protect women's rights and to implement, "the basic lines of the Communist Party of China." The Guangdong Women's Federation Legal Aid Center is a separate organization under the Guangdong Branch of the Women's Federation that focuses on migrant labor rights and education. The Guangdong Women's Federation Legal Aid Center had to register, but it was likely a brief, expedited process. This is because the most onerous part of registering a NGO is finding a government department to serve as a professional leading organization (sponsor) (ref a). A sponsor is required to monitor a NGO's activities and is held responsible if a NGO does something controversial. Due to this requirement, there is little incentive for a government department to sponsor a traditional NGO; it is too risky of a proposition. However, mass organizations themselves are also allowed to serve as professional leading organizations making it very easy for them to "sponsor" an offshoot of their own organization. While a GONGO is technically an independent organization it is closely tied to its parent organization. For example, the Guangzhou Youth Volunteer League director stated that some of his staff is 'assigned' from his parent organization, the Communist Youth League (CYL), and the administrative costs of these assigned staff members, are paid directly by the central government.

Raking in the Dough; G\$NG\$s

14. (SBU) GONGOs, particularly the Women's Federation and Disabled Person's Federation, have been quite successful in

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soliciting donor funds from overseas to operate projects in South China. While one researcher argued that this kind of support only subsidizes the Chinese government and does not expand civil society, there is no denying that this funding route is extremely popular. GONGOs provide stiff and often unbeatable competition for traditional NGOs in the race for donor dollars. GONGOs provide several advantages from a donor's point view. First, they are a fully legal entity in China, a factor which contrasts directly with the majority of traditional NGOs that are unregistered in China due to the difficulty of the registration process (ref a). While figures vary, some researchers in South China estimate that only 10% of all NGOs operating in China are actually legally registered. Since GONGOs are legally registered, they have non-profit status, can have organizational bank accounts, and follow a relatively strict set of financial guidelines that set many international donors, and their board of directors, at ease. Secondly, their network of offices is already established. Mass organizations such as the Women's Federation and All-China Federation of Trade Unions have an office in every province, city, county, and in many larger factories. Third, if the goal of an international donor is to advocate reform within the Chinese government it makes sense to work with a GONGO that is already inside the government network. In the sensitive NGO environment that exists in China one would argue this approach is more effective than advocating change through widespread public pressure or negative media coverage from a traditional NGO. Traditional (and unregistered) NGOs lamented that overall, when faced with a choice between funding an unregistered NGO with only a personal bank account and activities that operate on the fringe of society or a GONGO with legal registration, guaranteed (somewhat) access to target populations, and the prospect of closer cooperation with the Chinese government, many international donors reasonably choose the latter.

Can a GONGO Really Act Like a NGO?

15. (SBU) There is no doubt that GONGOS do implement effective activities with their donor's funds but the range of their activism in South China varies. For example, the Guangdong Women's Federation Legal Aid Center uses a grant from the Asia Foundation to host four hotlines that handled over 7000 calls in 2005 and to publish handbooks on AIDS and legal rights that have a circulation of over 21,000. It works with 35 factories in the area to give workshops on legal rights, health, and labor issues. When the Women's Federation first started its program in 1997 the director of the center said she could set a quota of how many workers were required to attend the briefings and a certain amount of team leaders or 'pioneers' were selected by the factories. As time has gone on, the Federation has revised its programs and attendance has become voluntary. In addition to the education series, the Women's Federation Legal Aid Center has two lawyers on staff who help migrant laborers bring suits against their employers, mainly in the area of (injured) worker's compensation. The number of cases the lawyers handle has jumped from 50 in 2001 to over 100 in 2005 with a 90% success rate.

Some GONGOS Still a Blast from the Past

16. (SBU) Not all GONGOS are that proactive; some seem to be stuck on a more traditional government-oriented track. Guangdong Youth Volunteer League hosts charitable activities but many of its activities seem to be more sports or culturally-oriented. The All-China Federation Labor Union (ACFLU) is a mass organization that some argue has been losing influence as many private firms prevent it from operating in their factories (the ACFLU must have the owner's assent to open). Many of the ACFLU's educational activities in Guangdong are a throwback to a different era with cultural TV programs, programs to increase efficiency, and programs to raise the 'level of culture' of workers. For example, one official at the Guangdong branch of the ACFLU proudly told of distributing playing cards, describing them as having information about worker's legal rights

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printed on them. In actuality, instead of listing the minimum wage or the basis of overtime law, the playing cards exhort the workers to work efficiently and improve their level of culture.

Operating Like a NGO But Thinking Like The Government

17. (SBU) All GONGOS contacted freely admitted that they have to moderate their message to please both their parent organization and the factories with whom they cooperate while also trying to deliver useful information to the migrant workers. The Guangdong Women's Federation Legal Aid Center director stated that the Center had serious difficulty in starting up its programs. Factory managers were concerned that the Center would incite workers to start demanding the minimum wage, overtime compensation, and other rights guaranteed by law. These, of course, were the issues the workers were most interested in. As the labor shortage became more and more apparent (beginning in late 2003) the director said factory managers became more open to the Center's programs as they were looking for ways to decrease turnover.

Sensitive Points

18. (SBU) GONGOS are also sensitive about the source of their funding and the impression that there is secretly an American (or western) donor pulling the strings behind the screen. Since they exist within the Party structure GONGO leaders are concerned about appearing too western or out of line with Party doctrine. Either one could bring about a swift end to a person's career with the government. In the

wake of the color revolutions in Europe NGOs in China that had American backers came under increased scrutiny. Two GONGO representatives separately both lowered their voices to a whisper when they mentioned receiving funding from the Asia Foundation. Even within the government some GONGOs try to keep the source of their funding secret. One GONGO administrator tells the story of traveling to Sanxiang, in Guangdong province. Through a local GONGO Sanxiang set up a migrant laborer's newsletter with a circulation of over 10,000 as well as other programs with international donor funds. It was only after returning to Guangzhou that the Guangzhou GONGO official learned of the program through a friend because she was told Sanxiang project directors were keeping a low profile about their projects. The GONGO administrator thought a Consulate request for a meeting with the Sanxiang GONGO would likely be denied for similar reasons.

Still Party to the Party Apparatus

¶9. (U) Viewed from the outside, even the more liberal GONGOs are viewed as too closely tied to the government by local unregistered NGOs. GONGOs in Guangdong are arguably the most active in migrant labor and women's issues but no unregistered labor NGO officials saw them as potential partners. They uniformly equated them to that of a government department. Some researchers charge that GONGOs are precisely there to exclude any other NGOs from operating in the same area.

There Can Be Only One

¶10. (U) According to Chinese NGO registration law a professional leading organization (sponsor) is only allowed to sponsor one type of NGO at each level (municipal, provincial, national). This is supposed to avoid conflict of interests and foster the high "quality" NGOs the central government seems to be constantly advocating. For example, if a domestic environmental NGO wishes to operate nationally it must have a ministerial level (national) sponsor from the State Environmental Protection Agency (SEPA). However, registration laws dictate that there must not be more than one of any type of organization at each level (national, provincial, municipal) so once a GONGO is set up their

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government sponsors have often been unwilling to sponsor an additional organization of the same type, though the definition of "type" in the law is open to interpretation. The Guangdong Association of Science and Technology's director, whose organization is the government sponsor for 150 science and industrial academic associations, states that his association has a separate panel that reviews each request for sponsorship and evaluates whether the requesting organization is operating in a unique field. At this point, no foreign NGOs are allowed to register unless they are a foundation/endowment (septel).

Doing It On Their Own

¶11. (U) In addition, GONGOs in South China seem to operate in isolation and do not have activities that involve cooperation either with registered or unregistered traditional NGOs in the field. The Disabled Federation is one exception to this as it have been very progressive in working with international NGOs to provide services to disabled people. All of the other GONGOs spoken with stated that apart from receiving funding they do not cooperate with other NGOs and have no plans to do so.

Crowding Out the Competition

¶12. (SBU) While no one can doubt that at least some GONGOS are doing very good service work, they seem to play a limited role in the development of a broader NGO community or civic society. For the government they represent the best of both worlds; in many cases they are able to attract international donor funds (and media coverage), and add to the number of 'registered' NGOs all while strictly maintaining the party line. In addition, GONGOs help to ensure the survival of mass organizations by expanding them from just a Party apparatus to politically correct service providers. In the fields in which they operate in South China, their activities are more moderate than that of the general (unregistered) NGO community. Recently, it has been widely reported in South China media that the central government is working with the Asia Development Bank to begin 'outsourcing' charity and relief programs to NGOs. Upon closer inspection, almost all of the NGOs that are slated to receive funding are GONGOs. The prominence of these programs under the guise of NGOs hides the fact that even the most uncontroversial and well-established traditional NGO has serious problems finding a government sponsor with whom to formally register (ref a). Without formal registration NGOs cannot apply for these new 'outsourcing' grants (foreign NGOs are completely excluded unless they have a local partner) or many other types of grants. While unregistered NGOs have been creative in finding other modes of operation (ref b) the current situation of no registration, no legality and restricted access to funds is a serious hindrance to their activities.

Not Building A Civic Society

¶13. (SBU) In addition, while some GONGOs encourage a culture of philanthropy, the majority have very few programs that build a civilian base of volunteers, or encourage popular participation in NGO efforts. Very few GONGOs solicit volunteer assistance or launch programs that engage the wider community; they mainly focus on providing government-like assistance or education materials. However, there are separate independent government departments whose responsibility is to provide these type of services. This lack of support for grassroots participation and lack of cooperation with already existing NGOs squanders the chance GONGOs have to build a civil society base.

Comment

¶14. (SBU) By occupying the "legal" NGO space GONGOs also lessen the pressure for NGO legislative reform. The media and government constantly point to GONGOs to show the

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strength and progressiveness of the Chinese NGO sector. Their successes often drown out (though not completely) the problems that grassroots Chinese and foreign NGOs have in trying to operate in a restrictive atmosphere. GONGOs seem to provide a safe alternative that serves as a rebuff to those that bemoan the lack of Chinese civil society as well as a safe way for international donors to fund worthwhile programming while developing close relations with the central government. GONGOs seem poised to occupy the small space allotted to the third sector, to the detriment of the legions of NGOs waiting outside the door.

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